

SBA News and Views is a monthly publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged

Serving America's Small Businesses

U.S. Small Business Administration Wisconsin District Office

Eric Ness, District Director

April 2006

In this issue:

American Spirit Awards

Winner.....page 1

Deeds Restriction.....pages 1 – 2

Surety Bond Program

Changes.....page 2

Community Express

Loan Fair.....page 2

Small Business

Ombudsman.....page 3

Editor's Note.....page 3

SBA March Loans.....pages 3 - 4

SBA March Microloans....page 4

Free Event.....page 4

Lenders Conference Flier...page 5

Small Business Awards

Breakfast Flier.....page 6

SBA Assistance Flier.....page 7

SBA Home Page
<http://www.sba.gov>

Wisconsin SBA Home Page
<http://www.sba.gov/wi>

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Wisconsin American Spirit Awards Winner

SBA's National Small Business Week events were held April 12-13, 2006 in Washington, D.C. This year a new category was added: **American Spirit Awards**. This award recognizes the accomplishments of small businesses in the areas devastated by the 2005 hurricanes, and acts of volunteerism on the part of individuals and businesses that went above and beyond the call of duty in their efforts to aid victims.

Ken Korsch, President of National School Lines in Omro, Wisconsin is one of the winners of this award. National School Lines is a furniture manufacturing company that already possessed a fine reputation in the community for social awareness. However, when Ken saw the news reports of the Gulf Coast devastation, he rallied his 20 employees to donate time and the company donated 11,000 desks and chairs to the Pass Christian School District. Enlisting additional local support, the combined donation amounted to \$150,000.

Wisconsin SBA joins the National Office in congratulating Ken for his contributions.

Deed Restrictions Pertaining to Gas Stations

The Office of Financial Assistance recently advised the Sacramento Processing Center that it is not to

approve any 504 loan for the purpose of purchasing a gasoline station where the deed includes a provision restricting the brand of service station that may be operated on the premises.

The purpose of Information Notice 5000-987 is to inform SBA field offices, SBAExpress lenders, PLP lenders, and PCLP CDCs that 7(a) or 504 loan requests to purchase gasoline stations that include similar deed restrictions (or language that has the same effect), whether the restrictions are required as part of the purchase and sale agreement or already contained in covenants running with the land, are not acceptable to SBA.

The deed restrictions in question are typically seen as part of a buy/sell agreement between an oil company and a purchaser of one of its gasoline stations. SBA found the deed restrictions to be unacceptable because they severely compromise the marketability of the business real estate collateral that would be securing the SBA-guaranteed loan.

The deed restriction language generally appears titled as "Use or Operation Restrictions" or "Petroleum Restrictions" in a Special Warranty Deed or other document recorded as part of the purchase and sale transaction. An example reads as follows:

No part of the Property shall be used by Grantee or any other Grantee Party, directly or indirectly, for an automobile service station, petroleum station, gasoline station or for the purpose of conducting or carrying on the business of selling, offering for sale, storage, handling, distributing, or dealing in petroleum, gasoline, motor

vehicle fuel, diesel fuel, kerosene, benzol, naphtha, greases, lubricating oils, or any fuel used for internal combustion engines, or lubricants in any form, or other petroleum or petroleum-related products, except for the personal use or consumption of such products by Grantee or its lessees of the Property, unless any such use is in connection with the operation of the Property as a Grantor branded service station. For purposes thereof, "Grantor branded service station" shall mean a service station under the brand [franchisor name] or any other brand of Grantor or any of its affiliates or their respective successors and assigns.

The above covenants and use restrictions bind and restrict the Property as covenants and restrictions running with the land and each portion thereof, and are deemed to benefit Grantor as a user of, operator of, or supplier of Grantor branded fuels to lands or retail operations in the jurisdiction in which the Property is located. These restrictive covenants will remain in full force and effect for a term of fifteen (15) years from the date of this conveyance whereupon these restrictive covenants will automatically lapse and terminate and be of no further force or effect.

Questions from CDCs or lenders regarding this notice should be directed to the Wisconsin SBA office.

**Surety Bond Program
Changes Help
Reconstruction
Contractors in
Battered Gulf Coast**

SBA, through its Surety Bond Guarantee Program, has taken a number of steps in the past few months to enhance support to small businesses nationwide, particularly construction contractors in the devastated Gulf Coast region. In the wake of the devastating

hurricanes, and working in close partnership with surety companies and their agents across the country, the SBA is promoting the expansion of small business participation in the rebuilding efforts through two substantial changes that help streamline contractors' efforts in the reconstruction phase.

"SBA staff is gearing up for a surge in surety bond applications for construction work in the Gulf States and across the country," said SBA Administrator Hector V. Barreto. Having processed more than \$7 billion in loan approvals related to hurricanes Katrina, Rita, and Wilma, we want to do everything in our power to help small contractors to help businesses and homeowners engage in reconstruction as rapidly as possible. These businesses and homeowners will lay the foundation for a renewed economic base in the affected region."

In the first of the changes, a business is considered small for purposes of qualifying for an SBA surety bond guarantee if the contract or subcontract work will be performed in one of the Presidential declared disaster areas in the Gulf States, and the business is small as defined by either of the following two criteria, whichever is higher (1) meets the North American Industry Classification System (NAICS) size standard for the industry in which it is primarily engaged, or (2) average annual receipts of the business do not exceed \$6.5 million. This size standard also applies to small businesses that are the prime contractors on federal projects. Other contractors qualify if their average annual receipts do not exceed \$6.5 million.

Through the Surety Bond Guarantee Program, SBA guarantees bid, payment and performance bonds on contracts up to \$2 million in value.

The SBA has also announced completion of Phase I of a new

electronic bond application process. Small businesses and surety companies participating in the SBA Prior Approval Program cannot transmit application forms electronically to SBA to help expedite the review and approval processes.

Phase II of this application process will contain a fully re-engineered and streamlined electronic application. SBA staff also is re-engineering the claims reimbursement process to shorten the cycle time between submission of a claim for reimbursement by a surety company and payment by the government.

SBA assistance in locating a participating company or agent and completing application forms is available from SBA offices in Atlanta, Philadelphia, Denver and Seattle, or OSBA's Surety Bond Program, go online to <http://www.sba.gov/osg/> for a list of area office contacts and SBA offices near your business or call 1-800 U ASK SBA.

**Community
Express
Loan Fair**

**April 25, 2006
2:00 p.m. & 3:30 p.m.**

**(The same information will be
presented at each session)**

**Ameritech Commerce
Center**

**2745 N. MLK Drive
Milwaukee, WI**

RSVP Today

**(Registration is encouraged
but not required)**

**To register or for more
information**

**Call Gloria at SBA
(414) 297-1091**

What Can the Small Business Ombudsman Do For Me?

By Carol Dunn

Wisconsin Department of Commerce

The Small Business Ombudsman (SBO) serves as a guide and advocate for small business owners as they interact with state government agencies. The ombudsman's job is to investigate complaints against state agencies and determine if a business has been treated fairly. If the SBO concludes that your complaint is justified, she will work with you and the agency to find a fair solution. If your complaint is not justified, the Ombudsman will do her best to explain the reasoning behind the agency's determination. Usually it is best to think of the SBO as a last resort—someone who will try to help when other approaches have failed. If you find you cannot reach an agreement or the dialogue has broken down between you and a state agency, please give the SBO a call. Inquiries will be kept confidential.

The SBO also helps implement Wisconsin's regulatory reform law. In March of 2004, Governor Doyle signed into law Wisconsin Act 145. One of these regulatory reforms was the creation of the Small Business Regulatory Review Board (SBRRB). One of the primary functions of this board is to ensure state agencies comply with the Regulatory Flexibility Act (RFA). The RFA requires that agencies examine the economic impact of their rules on small business since smaller businesses usually bear a disproportionate share of regulatory costs and burdens.

The statutes for rulemaking require state agencies to consider the economic impact of their rules, analyze methods to reduce the economic impact and to make their business impact

analysis available for public comment. The SBRRB provides regulatory oversight to ensure the agency compliance with these requirements. State agencies must submit new or revised administrative rules having a significant impact on small business to the SBRRB. Through the SBRRB, the public may challenge the accuracy of an agency's determination on the economic impact of the rule. The SBRRB has the statutory authority to report non-compliance with these statutory requirements to the Agency Secretary and to the Joint Legislative Council.

The SBRRB also has the statutory authority to hear from small business about problematic existing rules. Rules seen as economically burdensome, out-of-date, overly complex, duplicative or in conflict with other regulations may be brought forward to the board. If the SBRRB makes the determination an issue has merit, a report for action will be sent to the Joint Committee on Administrative Rule Review. An Existing Rule Complaint form can be found on the SBRRB web site. On this web site you'll also find *Guidelines for Public Testimony*. As an advocate for small business, the Ombudsman will assist businesses in adequately addressing concerns with an existing rule to the SBRRB.

Act 145 provides small businesses with a unique opportunity to be heard and be involved in our state rulemaking process. Subscribe to the Wisconsin Regulatory Alert, visit the SBRRB web site, or submit your concerns with an existing rule or regulation. Most importantly, take the time to learn about the requirements that state agencies have to you as a business owner.

608-267-0297

Ombudsman Web Site & Regulatory Alert Sign Up:

<http://commerce.wi.gov/BD/MT-FAX-0905.html>

SBRRB Web Site:

<http://commerce.wi.gov/BD/BD-SBRRB.html>

Wisconsin Administrative Rule Web Site:

<https://apps4.dhfs.state.wi.us/admrules/public/Home>

Editor's Note

We are no longer adding calendar items to the newsletter. They can be accessed at

<http://app1.sba.gov/calendar/states/calendar.cfm?op=group&grp=73>.

SBA March 2006 Lenders

AbbyBank

Abbotsford – 1 Loan for \$160,000

Amcore Bank NA

Rockford, IL-1 Loan for \$416,000

American National Bank Fox Cities

Appleton – 1 Loan for \$110,300

Associated Bank

Green Bay – 29 Loans for \$1,959,400

Bank Mutual

Milwaukee – 1 Loan for \$60,000

Baylake Bank

Sturgeon Bay – 5 Loans for \$693,900

Business Bank-Fox River Valley

Appleton – 1 Loan for \$225,000

Business Lenders LLC

Hartford, CT-1 Loan for \$1,720,000

Business Loan Center LLC

Panama City Beach, FL

1 Loan for \$50,000

Capital One Federal Savings Bank

McLean, VA-7 Loans for \$265,000

Citizens Bank

Kaukauna – 1 Loan for \$30,000

Citizens Bank of Mukwonago

Mukwonago- 1 Loan for \$30,000

Citizens State Bank of Clayton

Clayton – 1 Loan for \$40,000

CitizensFirst CU

Oshkosh – 1 Loan for \$145,000

Comerica Bank

Detroit, MI-1 Loan for \$150,000

Community Bank & Trust

Sheboygan – 8 Loans for \$1,104,500

Community First CU

Appleton – 11 Loans for \$537,000

Community So. Bank

Parsons, TN – 1 Loan for \$138,000

Covantage CU

Antigo – 1 Loan for \$22,500

First Bank Financial Centre

Oconomowoc – 7 Loans for \$1,525,500

First Banking Center

Lake Geneva – 1 Loan for \$250,000

Burlington – 1 Loan for \$50,000

TOTAL: 2 Loans for \$300,000

First National Bank-River Falls

River Falls – 1 Loan for \$98,000

Fox Communities CU

Appleton – 2 Loans for \$140,900

Green Lake State Bank

Green Lake – 3 Loans for \$1,550,000

Hometown Bank

St. Cloud – 5 Loans for \$1,243,000

Investors Community Bank

Manitowoc – 1 Loan for \$50,000

Johnson Bank

Racine – 1 Loan for \$85,000

JPMorgan Chase Bank NA

Houston, TX – 14 Loans for \$699,800

Phoenix, AZ – 1 Loan for \$360,200

TOTAL: 15 Loans for \$1,060,000

KimCentral CU

Neenah – 1 Loan for \$74,000

Layton State Bank

Milwaukee – 3 Loans for \$241,000

New Berlin – 1 Loan for \$560,000

TOTAL: 4 Loans for \$801,000

M&I Marshall & Ilsley Bank

Milwaukee – 18 Loans for \$4,904,700

Merchants Bank NA

Hampton, MN – 1 Loan for \$130,000

Milwaukee Economic

Development Corp.

Milwaukee – 1 Loan for \$478,000

Monona State Bank

Monona – 1 Loan for \$40,000

Mound City Bank

Platteville – 1 Loan for \$100,000

National Exchange Bank & Trust

Fond du Lac – 1 Loan for \$390,000

North Shore Bank

Green Bay – 1 Loan for \$290,000

Park Bank

Holmen – 1 Loan for \$430,000

Port Washington State Bank

Belgium – 1 Loan for \$360,000

Prospera CU

Appleton – 1 Loan for \$60,000

River Bank

La Crosse – 1 Loan for \$2,000,000

River Valley State Bank

Wausau – 1 Loan for \$350,000

Royal CU

Eau Claire – 1 Loan for \$775,000

S & C Bank

New Richmond – 1 Loan for \$50,000

Small Business Loan Source

Houston, TX – 1 Loan for \$124,000

State Bank of Chilton

Chilton – 3 Loans for \$880,700

The Park Bank

Madison – 1 Loan for \$290,000

The Reedsburg Bank

Reedsburg – 1 Loan for \$100,000

Twin Cities-Metro

Certified Development

Shoreview, MN – 1 Loan for \$577,000

US Bank NA

Cincinnati, OH

23 Loans for \$1,075,600

Washington County Bank NA

Oakdale, MN – 1 Loan for \$289,000

Waukesha State Bank

Waukesha – 3 Loans for \$674,000

Wells Fargo Bank NA

San Jose, CA – 8 Loans for \$295,000

Western WI

Development Corp.

Almena – 1 Loan for \$232,000

Wisconsin Business

Development Finance

Monona – 17 Loans for \$11,359,000

Wisconsin Community Bank

Cottage Grove – 2 Loans for \$353,000

**SBA March 2006
Microlenders**

Lincoln Neighborhood

Redevelopment Corp.

1 Loan for \$20,000

Wisconsin Women's Business

Initiative Corp.

2 Loans for \$12,000

FREE EVENT
**Small Business
Forum**

June 6, 2006

9:15 a.m. to 12:30 p.m.

(Registration begins at 9:00 a.m.)

**Fox Valley
Technical College
1825 N. Bluemound Dr.
Appleton, WI**

Speakers:

***Small Business
Administration**

***Department of Labor**

***OSHA**

***Social Security
Administration**

***Internal Revenue Service WI**

***Department of Revenue**

Topics:

**Financing
Safety**

Hiring Issues

Unemployment Issues

Sales Tax e-Filing

Federal e-Filing

& e-Payments

RSVP Today

Send e-mail to

Deanna.Esser@NFIB.org

Include: Name

Business Name

Phone Number

E-mail address

**Questions: Call Susan Logsdon
414-297-3421**

2006 LENDERS' CONFERENCE

MAY 17 & 18, 2006

Kalahari Resort Wisconsin Dells Wisconsin

FOR: *Bank Presidents, CEO's, Board &
Chamber Directors, CPA's,
Commercial Lenders, Tellers, Credit Analysts,
Collection Managers*

REGISTRATION FEES:

SAVE \$60.00 by registering for both Pre-Conference & Full Conference

\$340.00	<i>May 17 Pre-Conference, Reception, Dinner and May 18 Conference Day</i>
\$275.00	<i>May 17 Evening Reception, Dinner and May 18 Conference Day</i>
\$250.00	<i>May 18 Conference Day ONLY</i>
\$125.00	<i>May 17 Pre-Conference Workshop ONLY</i>
\$25.00	<i>May 17 Spouse/Guest Dinner Fee</i>

TO REGISTER CALL: **1-800-898-9472 or 715-346-3861**
www.uwsp.edu/conted/conferences/lenders/

LODGING: *To reserve your room, call the Kahalari Resort at 877-253-5466 or 608-253-5466. Mention you are attending the Lenders' Conference. \$99 rooms will be held until April 16, 2006.*

GOLF OUTING INFORMATION: SPACE IS LIMITED TO 120

Join us for the 2006 Lenders' Conference Golf Outing on Wednesday, May 17, 2006 at Trappers Turn Golf Course. Golf fee is \$75 per person and includes: Eighteen holes of golf, cart, use of practice facility and range, sleeve of balls, personalized bag tag, box lunch, drink tickets, gift certificate in pro shop and prizes. For golf information, call Jules Matsoff, Golf Outing Coordinator at 414-297-3934 by April 30, 2006.

21st Annual Small Business Awards Breakfast

*Friday
May 19, 2006*

REGISTRATION:

7:00 a.m. – 7:30 a.m.

AWARDS BREAKFAST

7:30 a.m. – 9:00 a.m.

*Milwaukee Marriott West
(I-94 & Hwy. 164 Waukesha)*

JOIN US FOR

**Informational Session on
Small Business Health Care
(Following the Breakfast)**

For further information contact: 414-297-1093



- ▶ **Need Help Getting your Small Business Started?**
- ▶ **Looking for Financing to Help Grow your Small Business?**

The U.S. Small Business Administration Can Help!

Call us today to arrange a meeting and find out how the SBA or one of our resource partners can help you.

Call Becky at (608) 441-5519 to schedule an appointment at one of our two convenient Madison locations:

**McALLEN T.E.C. Center
(across from MATC)
3591 Anderson Street
Room 223
Madison, WI 53704**

**SBA
WI District Office
740 Regent Street
Suite 100
Madison, WI 53715**

**U.S. Small Business
Administration
Your Business Partner**